

Mayor Charles "Skip" Lee called a meeting of the Sterling City Council to order at 6:30 pm on Monday, December 3, 2012. Roll call. Present: Aldermen Retha Elston, Linda Marley, Joe Martin, and Amy Viering. Absent: Aldermen Barry Cox and Lou Sotelo.

Also present were City Attorney Ron Coplan, City Manager Scott Shumard, Assistant to City Manager Hadley Skeffington-Vos, Director of Financial Services Cindy Von Holten, Building and Zoning Superintendent Amanda Schmidt, Acting Fire Chief Gary Cook, Police Chief Ron Potthoff, and City Clerk Marie Rombouts.

The Pledge of Allegiance was recited.

There were no communications from Visitors.

Alderman Viering made a motion to approve the items on the Consent Agenda, as follows:

- A) Minutes from the special meeting of November 12, 2012, the regular meeting of November 19, 2012, and the special meeting of November 26, 2012
- B) Bills and Payroll totaling \$687,642.36
- C) Motor Fuel Tax **Resolution No. R2012-12-23** for Maintenance of Streets and Highways from January 1, 2013 to December 31, 2013, in the amount of \$250,000
- D) Partial Pay Request #6 from Sjostrom & Sons, Inc. for the Sterling City Hall remodeling project in the amount of \$721,289.55
- E) Refer to Plan Commission a Request from Emmanuel Baptist Church to subdivide property at 1904 18th Avenue;
- F) Partial Pay Request #3 for 2012 Street Project Contract #2 to Twin City Construction in the amount of \$224,933.02

The motion was seconded by Alderman Elston. Alderman Elston thanked Public Works crews and everyone who worked on Broadway for the beautiful road work that was completed in 2012 Street Project Contract #2. Voting: Ayes – Aldermen Elston, Marley, Martin, and Viering. Nays – None. Motion carried.

Alderman Elston made a motion to approve the Proclamation declaring December as Drunk and Drugged Driving (3D) Prevention Month in Sterling, Illinois; seconded by Alderman Martin. Voting: Ayes – Aldermen Elston, Marley, Martin, and Viering. Nays – None. Motion carried. Mayor Lee read the proclamation into the record. Mayor Lee also commended the Police Department for a safe Thanksgiving weekend.

Alderman Viering made a motion to adopt **Ordinance No. 2012-12-35 Amending Ordinance No. 2012-04-11, the 2012/13 Budget Ordinance from \$31,449,040 to \$31,999,040**; seconded by Alderman Martin. The capital fund was increased by \$550,000. Voting: Ayes – Aldermen Elston, Marley, Martin, and Viering. Nays – None. Motion carried.

Alderman Elston made a motion to approve **Resolution No. R2012-12-24 Authorizing the loan in the amount of \$550,000 to the Greater Sterling Development Corporation (GSDC) for the purpose of redeveloping the Sterling Theater at 402 Locust Street**; seconded by Alderman Marley.

Manager Shumard gave a background on the theater. The theater was vacated in 2007. In 2008 it was purchased and has not been reopened. It is a prominent building in our downtown where two highways intersect. The opportunity exists and this could influence the downtown's destiny. If we don't do it now, we will probably spend tax dollars later to demolish the building. Sterling Main Street, Sterling Today, and Fourth Fridays have made significant steps forward in our downtown and this can build on their successes. The movie house may show second runs, first runs that Carmike does not show, holiday themed movies, Spanish movies, Independent films, Classic Films, and private screenings, as well as offer Brew & View.

The theater was built in 1924. It burned in July 1943 and reopened with the tower in 1944. In 1997 the theater was split into twin theaters. In 2000, the tower was modernized. The City proposes loaning \$550,000 to GSDC from capital funds for acquisition, repairs, and updates. \$100,000 is being donated from a private non-profit organization. Monthly payments of \$4166 will be repaid to the City over the next 11 years. The current owner has accepted the GSDC offer.

Sterling Main Street posted the possible renovation of the theater on their Facebook page and received over 300 likes.

Mary Benson, Sterling Today President, applauded the City for taking this chance and bringing the theater back to life. Sterling Today wholeheartedly supports this project.

Bryce Mead, owner of Mead Bicycle Shop at 414-416 Locust, admitted the façade program offered by Sterling Main Street enticed his relocation to downtown. He has since seen plenty of growth in this block and is completing his expansion. The theater has been an eyesore that needs to be remedied. People have said we need more in downtown. Mead believes this is a great opportunity and backs it 100%.

Norma Wollens asked if projections have been studied and what happens if this does not work. She was also concerned about the taxes imposed for this type of project. Manager Shumard assured everyone that there are no tax implications with this

venture. The funds are from the capital fund. Unlike most investments, this will be paid back to reuse those funds in the future. The risk is minimal with the rental properties along Fourth Street, attached to the theater.

Alderman Viering knows of a group that has volunteered to help clean up the property.

Mayor Lee introduced Skip Huston, the future owner, for comments on the theater. Huston followed the comments on Sauk Valley Media on line and warns to never argue on the internet because opponents are faceless. Huston explained that, as a theater owner, he has access to a data base of movies playing and the revenues of all ticket sales across the country. This provides the projections he uses to determine the viability of this theater. Carmike purchased the Sauk Valley 8 cinemas and has never changed the sign from GKC. The sign is only one example that Carmike does not invest in or update their theaters.

Alderman Elston commented on the tour of the old theater a couple weeks ago and believes the theater is a great asset, especially with the tower lit up again.

Mayor Lee feels the theater can be a reinvestment in ourselves and help us to move forward.

Alderman Martin asked about the time table. Manager Shumard stated there is no closing date, yet.

Skip Huston stated that he is hoping for a May opening.

Voting to approve **Resolution No. R2012-12-24** Authorizing the loan in the amount of \$550,000 to the Greater Sterling Development Corporation (GSDC) for the purpose of redeveloping the Sterling Theater at 402 Locust Street: Ayes – Aldermen Elston, Marley, Martin and Viering. Nays – None. Motion carried.

Manager Shumard reported that the architects for the Coliseum project were on-site. The proposed move date to the main floor is mid-March. Shumard informed the Council that Bob Vail with Bernardi Securities reported the City has an A+ credit rating, an upgrade which is uncommon during these times.

Alderman Marley thanked Chief Cook for the ride on the fire truck for the parade.

Alderman Elston remarked what a wonderful evening it was for the Seasonal Sights and Sounds. The downtown was full of people.

Alderman Martin thanked Mary Carlson, with WSDR, for the story on leaf pick up ending this week.

Mayor Lee commended the Chamber and Sterling Main Street for the parade and downtown happenings through the Seasonal Sights and Sounds.

With no further business, the meeting adjourned at 7:15 pm.

Marie Rombouts
City Clerk